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STATE OF ARIZONA

DEPARTMENT OF INSURANCE

In the Matter of:

THE WITHDRAWAL OF:

OLD REPUBLIC LIFE INSURANCE COMPANY OF ARIZONA (NAIC NO. 11556)

Petitioner.

No. 08A-008-INS

ORDER

On March 12, 2008, the Office of Administrative Hearings, through Administrative Law Judge ("ALJ") Lewis Kowal, issued an Administrative Law Judge Decision ("Recommended Decision"), received by the Director of the Department of Insurance ("Director") on March 17, 2008, a copy of which is attached and incorporated by this reference. The Director of the Department of Insurance has reviewed the Recommended Decision and enters the following Order:

- 1. The Recommended Findings of Fact and Conclusions of Law are adopted.
- 2. Petitioner may file its Articles of Amendment to its Articles of Incorporation ("Articles of Amendment") with the Arizona Corporation Commission ("ACC").
- Petitioner is entitled to the release of its statutory deposit in the sum of \$110,000.00. Petitioner's statutory deposit shall be released to Petitioner after the Department has received all of the following:
 - (a) an ACC certified copy of Petitioner's filed Articles of Amendment, and
 - (b) Petitioner's 2007 Annual Tax and Fees Report with the applicable filing
- 4. The sum of \$100.00 previously credited to the IERF shall be refunded to Petitioner pursuant to A.R.S. § 20-159.

- 5. Petitioner shall pay its 2008 Certificate of Authority renewal fee to the Department and file its 2007 Annual Form B if its Articles of Amendment are not filed with the ACC on or before March 31, 2008.
- 6. Petitioner shall file its 2008 Annual Statement and Annual Tax and Fees Report with the Department, together with all applicable fees, unless Petitioner files its Articles of Amendment with the ACC on or before December 31, 2008.

The Director of the Department has no personal liability for the good faith release of any deposit as provided for in A.R.S. § 20-588(B).

NOTIFICATION OF RIGHTS

Pursuant to Arizona Revised Statutes ("A.R.S.") § 41-1092.09, Petitioner may request a rehearing with respect to this order by filling a written motion with the Director of the Department of Insurance within 30 days of the date of this Order, setting forth the basis for relief under A.A.C. R20-6-114(B). Pursuant to A.R.S. § 41-1092.09, it is not necessary to request a rehearing before filing an appeal to Superior Court.

Petitioner may appeal the final decision of the Director to the Superior Court of Maricopa County for judicial review pursuant to A.R.S. § 20-166. A party filing an appeal must notify the Office of Administrative Hearings of the appeal within ten days after filing the complaint commencing the appeal, pursuant to A.R.S. § 12-904(B).

DATED this 24 day of March, 2008.

CHRISTINA URIAS, Director Arizona Department of Insurance

1	COPY of the foregoing mailed this, 2008 to:				
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3	Office of Administrative Hearings 1400 West Washington, Suite 101 Phoenix, Arizona 85007				
4	Mary Butterfield, Assistant Director				
5	Catherine O'Neil, Comsumer Legal Affairs Officer Steve Ferguson, Assistant Director				
6	Leslie R Hess, Financial Affairs Legal Analyst Kurt A. Regner, Chief Financial Analyst				
7	Mary E. Kosinski, Executive Assistant for Regulatory Affairs Arizona Department of Insurance				
8	2910 North 44th Street, Suite 210 Phoenix, Arizona 85018				
9	William J. Dasso, Counsel				
10	Old Republic International Corporation 307 North Michigan Ave. Chicago, IL 60601-5382 Petitioner				
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IN THE OFFICE OF ADMINISTRATIVE HEARINGS

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Ĺ_	DIRECT INSUR			

STATE OF ARIZONA

IN THE MATTER OF: THE WITHDRAWAL OF OLD REPUBLIC LIFE INSURANCE COMPANY OF ARIZONA (NAIC NO. 11556)

No. 08A-008-INS

ADMINISTRATIVE LAW JUDGE DECISION

HEARING: March 10, 2008

APPEARANCES: William Dasso for Old Republic Life Insurance Company of

Arizona; Kurt Regner for the Arizona Department of Insurance

ADMINISTRATIVE LAW JUDGE: Lewis D. Kowal

On March 10, 2008, a hearing took place to consider the application of Old Republic Life Insurance Company of Arizona ("Petitioner") to withdraw from the insurance business and for the release of its statutory deposit pursuant to A.R.S. § 20-588 and A.A.C. R20-6-303.

Based upon the entire record in this matter, the following Findings of Fact, Conclusions of Law and Recommended Order are made:

FINDINGS OF FACT

- 1. Petitioner has filed its Certificate of Authority with the Arizona Department of Insurance ("Department").
- 2. Petitioner has filed with the Department certified copies of Resolutions of the Petitioner's Board of Directors and of the Petitioner's shareholder to withdraw from the insurance business, to amend its articles of incorporation to eliminate its insuring powers, and to adopt a new corporate name which shall not include the word "insurance".
- 3. Petitioner has no insurance obligations, whether by policies written direct or by reinsurance ceded to it. Petitioner has filed with the Department a certified financial statement as of December 31, 2007, which is within 60 days of the application date of December 3, 2007.

Office of Administrative Hearings 1400 West Washington, Suite 101 Phoenix, Arizona 85007 (602) 542-9826

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- 4. At least ten business days before the hearing of this matter, Petitioner gave special notice to creditors and policyholders of the Petitioner, setting forth the date, place, nature and purpose of the hearing, as evidenced by an affidavit of publication. Petitioner represented that it has no known creditors and no remaining obligations or liabilities in the State of Arizona.
- 5. Petitioner has a \$110,000.00 statutory deposit with the Department and a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").
- 6. Petitioner waived the notice requirements set forth in A.R.S § 41-1092.05(D).

CONCLUSIONS OF LAW

1. Petitioner has complied with the provisions of A.R.S. § 20-588 and A.A.C. R20-6 -303, relating to the release of its \$110,000.00 statutory deposit.

<u>ORDER</u>

- 1. Petitioner may file its Articles of Amendment to its Articles of Incorporation ("Articles of Amendment") with the Arizona Corporation Commission.
- 2. Petitioner is entitled to the release of its statutory deposit in the sum of \$110,000.00 and Petitioner's statutory deposit shall be released to Petitioner after the Department has received the following: (a) a copy of Petitioner's Articles of Amendment certified as having been filed with the Arizona Corporation Commission; and (b) Petitioner's 2007 Annual Tax and Fees Report with the applicable filing fee. The Director of the Department has no personal liability for the release of such deposit made in good faith as provided for in A.R.S. § 20-588(B).
- 3. The sum of \$100.00 previously credited to the IERF shall be refunded to Petitioner pursuant to A.R.S. § 20-159.
- 4. Petitioner shall pay its 2008 Certificate of Authority renewal fee to the Department and file its 2007 Annual Form B, unless Petitioner's Articles of Amendment is filed with the Arizona Corporation Commission on or before March 31, 2008.
- 5. Petitioner shall file its 2008 Annual Statement and Annual Tax and Fees Report with the Department, together with all applicable fees, unless Petitioner files its

Articles of Amendment with the Arizona Corporation Commission on or before December 31, 2008

Done this day, March 12, 2008.

Lewis D. Kowal

Administrative Law Judge

Original transmitted by mail this // day of // , 2008, to

Department of Insurance Christina Urias, Director 2910 North 44th Street, Ste. 210 Phoenix, AZ 85018

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